

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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**ADMINISTRATIVE RULE
FISCAL IMPACT STATEMENT**

PROPOSED RULE: 96-001

DATE PREPARED: Aug 21 97

STATE AGENCY: Department of Environmental Management

DATE RECEIVED: Jul 08 97

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Digest of Proposed Rule: This proposed rule makes three changes to rules concerning waste determination and special waste. First, it amends 329 IAC 10-2 to define various terms. The change in the definition of special waste is a result of P.L. 129-1997 (HEA 1541), which expands the list of materials that are not considered special waste.

Second, it repeals 329 IAC 10-7 and adds 329 IAC 10-7.1 to establish new standards for determination of hazards of solid waste. This section reiterates federal requirements and does not have any new costs associated with it.

Third, it repeals 329 IAC 10-8 and adds 329 IAC 10-8.1 to establish new standards for special waste disposal. It also divides special waste into three categories: Category A, B, and C. Currently, generators of special waste must apply to the Indiana Department of Environmental Management (IDEM) for certification of every special waste. However, 329 IAC 10-8.1 provides for either certification or verification, depending on the category of waste and whether the landfill where the waste is to be disposed meets the design, construction, and operating standards of 40 CFR 258. IC 13-20-21-5 requires that generators pay a \$250 fee for each special waste certification. There is no fee for verification.

Under this proposed rule, generators of Category A special waste must continue to apply to IDEM for certification. However, generators of Category B and C special waste that is disposed of in a landfill that meets 40 CFR 258 standards do not need to apply to IDEM for certification. Instead, these generators must request verification of the special waste from a landfill prior to the initial disposal. Once a landfill receives a request for verification, it reviews the request and either accepts or denies the waste. Generators of Category B and C special waste that is disposed of in a landfill that does not meet the 40 CFR 258 standards must continue to apply to IDEM for certification.

This proposed rule is applicable to special waste generators and landfills.

Governmental Entities:

State:

IDEM: This proposed rule does not impose any new requirements on the Special Waste Section of IDEM. Although this rule will not result in monetary savings for IDEM, it will result in a decrease in workload since IDEM will have fewer certification applications to review. There are no unfunded mandates placed upon any state agency by this proposed rule.

Generators of Special Waste: This proposed rule will result in monetary savings for state entities that generate special waste. It is estimated that the verification process will replace the certification process for approximately 84% of all special waste. In CY 1996, state entities applied for approximately 12 special waste certifications at a cost of \$3,000 (12 x \$250). It is estimated that state entities will need to apply for only two certifications under this proposed rule at a cost of \$500 (2 x \$250). This will result in estimated savings of \$2,500 per year or \$17,500 over the seven-year life of the rule.

This proposed rule also allows special waste to be handled through the verification process instead of through the certification process if the waste tests consistently in a category. The monetary savings associated with this is indeterminable because it is not known into which category special waste will fall.

Landfills may increase the tipping fees charged to generators to cover their additional costs. The actual increase is indeterminable.

This proposed rule will also result in some time savings for generators since it is estimated that it will take less time to complete a request for verification than it does to complete an application for certification.

Local:

Generators of Special Waste: This proposed rule will result in monetary savings for local entities that generate special waste. It is estimated that the verification process will replace the certification process for approximately 84% of all special waste. In CY 1996, local entities applied for approximately 27 special waste certifications at a cost of \$6,750 (27 x \$250). It is estimated that local entities will need to apply for only four certifications under this proposed rule at a cost of \$1,000 (4 x \$250). This will result in estimated savings of \$5,750 per year or \$40,250 over the seven-year life of the rule.

This proposed rule also allows special waste to be handled through the verification process instead of through the certification process if the waste tests consistently in a category. The monetary savings associated with this is indeterminable because it is not known which category special waste will fall into.

Landfills may increase the tipping fees charged to generators to cover their additional costs. The actual increase is indeterminable.

This proposed rule will also result in some time savings for generators since it is estimated that it will take less time to complete a request for verification than it takes to complete an application for certification.

Landfills: It is estimated that this proposed rule will result in an increase in workload for some landfills. The actual impact is dependent on the amount of

special waste accepted. Currently, IDEM certifies all special waste. Under this proposed rule, landfills that meet 40 CFR 258 standards will have to verify Category B and Category C special waste instead of receiving IDEM certification. Landfills may be able to increase the tipping fee charged to generators to cover additional costs associated with an increased workload. In CY 1996, eight local governmental landfills accepted approximately 25 special waste streams under the certification process.

It is also estimated that the elimination of quarterly reporting for Category C special waste will result in a minimal or no decrease in workload for landfills. It is estimated that Category C special waste equals approximately 92% of all special waste. Currently, eight local landfills accept special waste and file quarterly reports.

Regulated Entities:

Generators of Special Waste: This proposed rule will result in monetary savings for regulated entities in Indiana that generate special waste. It is estimated that the verification process will replace the certification process for approximately 84% of all special waste. In CY 1996, regulated entities applied for approximately 717 special waste certifications at a cost of \$179,250 (717 x \$250). It is estimated that regulated entities will need to apply for only 115 certifications under this proposed rule at a cost of \$28,750 (115 x \$250). This will result in estimated savings of \$150,500 per year or \$1,053,500 over the seven-year life of the rule.

This proposed rule also allows special waste to be handled through the verification process instead of through the certification process if the waste tests consistently in a category. Since it is not known into which category the special waste will fall, the monetary savings is indeterminable.

Landfills may increase the tipping fees charged to generators to cover their additional costs. The actual increase is indeterminable.

This proposed rule will also result in some time savings for generators since it will take less time to complete a request for verification than it does to complete an application for certification.

In addition, this proposed rule expands the list of materials that are not considered special waste. This will reduce the number of special waste certifications that generators must apply for. Based on CY 1996 data, it is estimated that the number of special waste certifications required under this rule will be reduced by approximately 17 each year. This will result in an estimated savings for generators of \$4,250 per year (17 x \$250) or \$29,750 over the seven-year life of the rule.

Landfills: It is estimated that this proposed rule will result in an increase in workload for some landfills. The actual impact is dependent on the amount of special waste accepted. Currently, IDEM certifies all special waste. Under this proposed rule, landfills that meet 40 CFR 258 standards will have to verify Category B and Category C special waste instead of receiving IDEM certification. Landfills may be able to increase the tipping fee charged to generators to cover additional costs associated with an increased workload. In CY 1996, 28 private landfills accepted approximately 800 special waste streams under the certification process.

It is also estimated that the elimination of quarterly reporting for Category C waste will result in a minimal or no decrease in workload for landfills. It is

estimated that Category C special waste equals approximately 92% of all special waste. Currently, 28 private landfills accept special waste and file quarterly reports.

Information Sources: Bruce Palin, IDEM, 232-8892; Steve Mojonnier, IDEM, 233-1655; Lynn West, IDEM, 232-3593; Mike Frey, Monroe County Solid Waste Management District, 812/349-2869; Steve Wolfe, Waste Management of Indiana LLC, Inc, 1-800-981-0213.